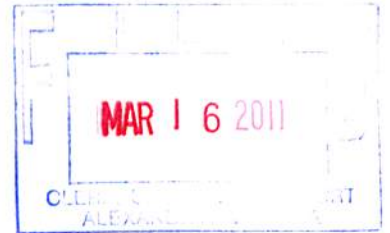


IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA

Alexandria Division



TIMOTHY PAUL REAGO,

Plaintiff,

v.

UNITED STATES PATENT &
TRADEMARK OFFICE,

Defendant.

Civil Action No.01:10-cv-1072

MEMORANDUM OPINION

This matter comes before the Court on Defendant United States Patent and Trademark Office's ("PTO") Motion to Dismiss.

On July 12, 2010, Plaintiff Timothy Paul Reago attempted to file with the PTO a provisional patent application pursuant to 35 U.S.C. § 111(b). The application consisted of 1,274 pages, which disclosed a purported invention entitled "Human Targeted Electromagnetic Broadcast: Security Considerations and Related Arrangements, Methods and Processes." Plaintiff identified himself as the inventor and remitted \$110 in application fees. On August 4, 2010, the PTO informed Plaintiff that he must remit \$3,240 in fees for the 1,174 pages in excess of the 100-page limit for a small entity's patent application. See 35 U.S.C. § 41(a)(1)(G); 37 C.F.R. § 1.16(s) (providing that patent applicants are charged \$270 for each additional fifty pages of

their application that exceeds 100 pages); see also 35 U.S.C. § 41(h)(1) (reducing by 50% the application fees for small entities); 37 C.F.R. § 1.27(a)(1) (defining a small entity as "any inventor of other individual . . . who has not assigned, granted, conveyed, or licensed . . . any rights in the invention"). That notice explained that Plaintiff had two months—unless he petitioned the PTO for an extension of time, see 37 C.F.R. § 1.136(a)(1)—to remit the necessary fees. Nevertheless, the PTO granted Plaintiff a filing date of July 12, 2010 (the date Plaintiff filed his application) and assigned Serial No. 61/344,384 to his provisional application.

Plaintiff wrote to the PTO to request a waiver of the additional small entity fee identified in the PTO's notice. Plaintiff noted that he had limited income and that the amount that the PTO's notice required him to remit would constitute a significant portion of his annual income. In response to Plaintiff's request, the PTO informed Plaintiff that his request had been entered into his application file, but that it was unable to proceed with the application until Plaintiff remitted the proper fees. The PTO again reminded Plaintiff that he could request extensions of time within which to remit the necessary fees, but that without a timely and complete response (with the remission of fees), his application would ultimately be considered abandoned.

Plaintiff has not yet remitted the necessary fees and has not requested any extensions of time to do so. Nevertheless, the PTO has yet to consider Plaintiff's application abandoned. His application therefore remains pending before the PTO.

Plaintiff filed his pro se complaint with this Court on September 24, 2010, appearing to seek a waiver of the PTO's fee requirement because he is indigent. Defendant now moves to dismiss, arguing that 1) this Court lacks subject matter jurisdiction to consider Plaintiff's complaint, and 2) even if this Court had subject matter jurisdiction, patent fees are not waivable.

Regarding Defendant's first argument, the PTO has yet to issue any final decision on Plaintiff's patent application. Under the Administrative Procedure Act, this Court may only review the PTO's consideration of Plaintiff's application if the PTO has rendered a final agency action. See 5 U.S.C. §§ 702, 704. In order for the PTO's consideration of Plaintiff's application to constitute a final agency action, two conditions must be met:

First, the action must mark the consummation of the agency's decisionmaking process—it must not be of a merely tentative or interlocutory nature. And second, the action must be one by which rights or obligations have been determined, or from which legal consequences will flow.

Bennett v. Spear, 520 U.S. 154, 177-78 (1997) (quotations omitted). Neither requirement is met in this case.

The PTO has not taken any action regarding Plaintiff's provisional application, let alone any action that would cause Plaintiff to lose any patent rights or to face legal consequences. Plaintiff seems to fear that the PTO considers his provisional patent application abandoned. But the PTO has not entered a notice of abandonment regarding Plaintiff's application. His application will remain pending until the time within which Plaintiff can seek extensions of time has expired, see 37 C.F.R. § 1.136(a)(1). Because his application remains pending, this case does not satisfy the second condition outlined in Bennett.

Regarding the first condition, the agency has yet to issue any decision regarding Plaintiff's position that the Constitution mandates a waiver of fees associated with his provisional patent application because he is indigent. The PTO's regulations dictate that Plaintiff must administratively request such relief, and Plaintiff may only make such a request if and when the PTO enters a notice of abandonment regarding Plaintiff's application. Once a notice of abandonment is entered, Plaintiff may file a petition with the PTO that articulates his constitutional theory and thus seek to "invoke the supervisory authority of the [PTO] Director." 37 C.F.R. §

1.181(a)(3). If and when Plaintiff files a petition, PTO officials can then review the merits of Plaintiff's argument and render a written decision. It is that written decision that will constitute a final agency action, thereby enabling this Court's review under the APA.

For these reasons, this Court lacks subject matter jurisdiction to hear Plaintiff's complaint and need not reach Defendant's second argument that patent fees are not waivable. Plaintiff's Complaint must be dismissed.

An appropriate order shall issue.

 /s/
Claude M. Hilton
United States District Judge

Alexandria, Virginia
March 16, 2011